

Nursery Legislation

Nursery, it's the green industry providing plant material for landscapes, parks, boulevards, botanical gardens, forestry, re-vegetation, export and many other needs. The horticultural industry is an important component of Montana's agricultural industry. The Department of Agriculture provides support, protection and regulatory oversight of the nursery industry in Montana resulting in consumer, plant and plant industries, ecological and environmental protection. The benefits of these activities extend beyond the green industry to all of agriculture in Montana. The nursery industry, like other agricultural industries in Montana, is at risk from pests and diseases and can be a pathway for the introduction of pests and diseases with potentially devastating impacts. Invasive pests and diseases may have a narrow host range, impacting one or a limited number of plant species but more often these pests have broad host ranges with the potential to cause broad agricultural damage. As with other situations, prevention is our best and sometimes our only defense against invasive pests because once introduced, there are no or limited way(s) to eradicate, mitigate, contain or control pests and diseases. Response costs are almost always high (higher than prevention efforts). The economic harm to plants, landscapes, farms, rangeland and forests can be devastating. Beyond the immediate impact that new pests and diseases have, there are also long term operational impacts and cost increases.

A strong nursery program is important. It is, however, underfunded, limiting our ability to provide necessary services and regulatory oversight. There is less than adequate risk management and mitigation from a prevention or response position. The Department has been successful in creating a risk based nursery inspection management approach however we have not yet been successful in establishing the funding necessary to support the program. Discussion with industry organizations has helped clarify risk management and mitigation implementation and identified challenge points in adopting an effective funding structure. It is clear that in order to manage risk, an understanding of the plant distribution patterns is necessary. Licensing is an effective method of being able to capture much of this information and data.

We are proposing a program funding structure based on a nursery license fee rather than license and inspection fees (current funding mechanism). Because it is recognized that sale, distribution and handling of plant materials serve as a pathway risk, we are also proposing an invasive species prevention fee that will be applied to nurseries, florists, farmer markets, golf courses, landscapers, importers of nursery stock into Montana (out of state nurseries), and grain elevators. Nursery licensing fees will continue to provide essential and traditional funding support for the program. The invasive species prevention fee will contribute the funding support of the nursery program's prevention component of the program. It is important to note that because of nursery licensing reciprocity among states, out of state nurseries do not contribute financially to the support of the nursery program (they do not pay a license fee in Montana), however, they contribute the largest amount of pest and disease risk through import of their plant products into the state.

Proposed Nursery Program Funding Mechanism: A Starting Point for Discussion and Consideration

License Category (based on gross annual sales)	License Fee	Invasive Species Prevention Fee	Total Fee	Estimated Number	Estimated Revenue
< \$1,000	\$0	\$25	\$25	120*	\$ 3,000
\$1,001 - \$5,000	\$25	\$25	\$50	350	\$17,500
\$5,001 - \$50,000	\$100	\$25	\$125	275	\$34,375
\$50,001 - \$100,000	\$325	\$25	\$350	220	\$77,000
>\$100,000	\$475	\$25	\$500	50	\$25,000
Total				895	\$156,875

* estimate based on 2007 licensing structure

It is estimated that there are 149 out of state nurseries that import nursery stock into Montana, 134 florists and 245 landscapers that are not already licensed as a nursery and 108 golf course businesses in Montana. These businesses would be subject to the invasive species prevention fee of \$25, providing an estimated \$15,900 in program support.